

**City of Chippewa Falls
Public Hearing
November 30, 2010 – 7:00 PM**

**2011 Proposed
General Fund
Budget**

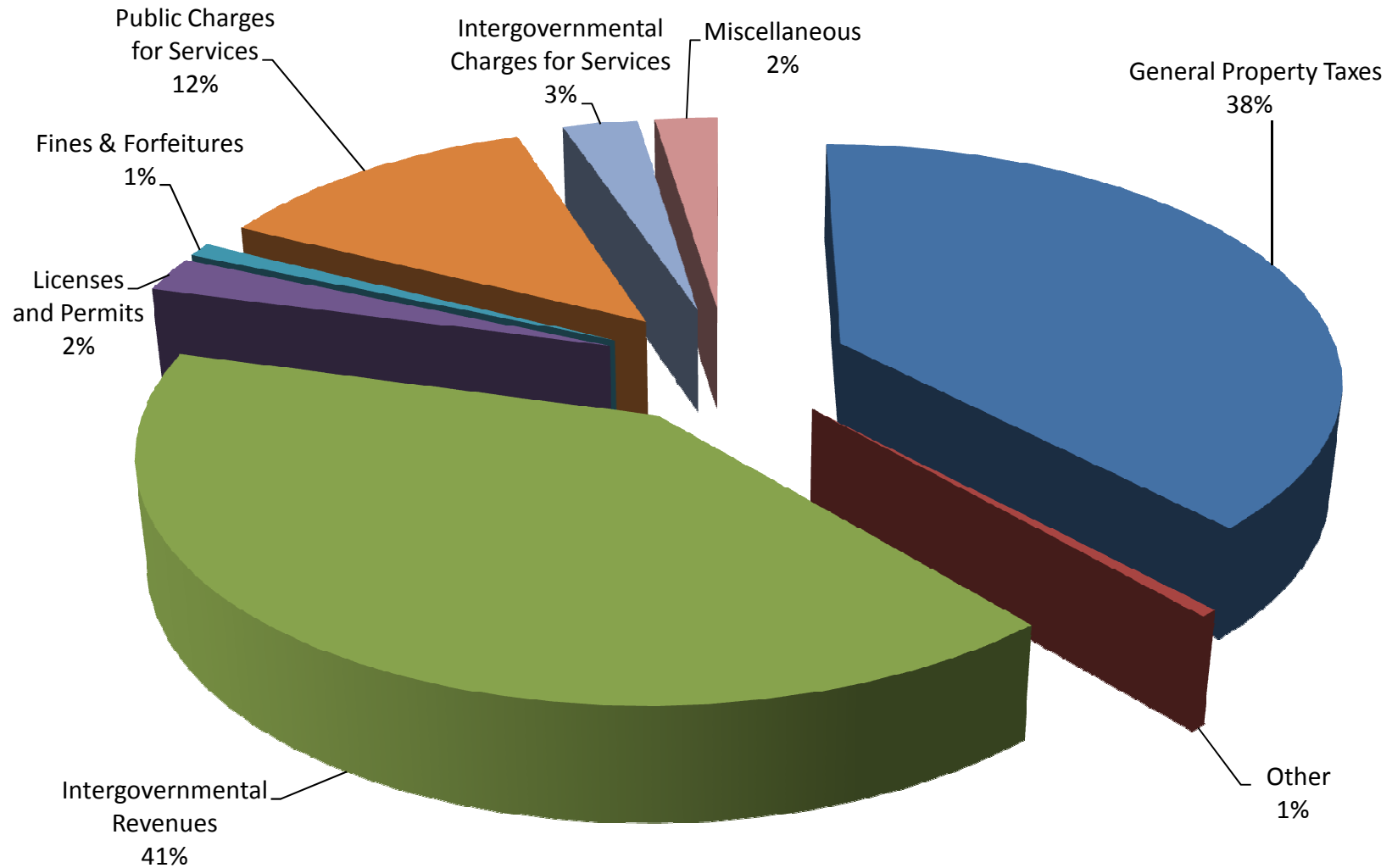
2011 Budget Presentation Outline

- Accomplishments
- Process and Goals
- Challenges
- Adjustments
- Mill Rate Calculation
- Next Steps
- Future Considerations
- Conclusion/Questions

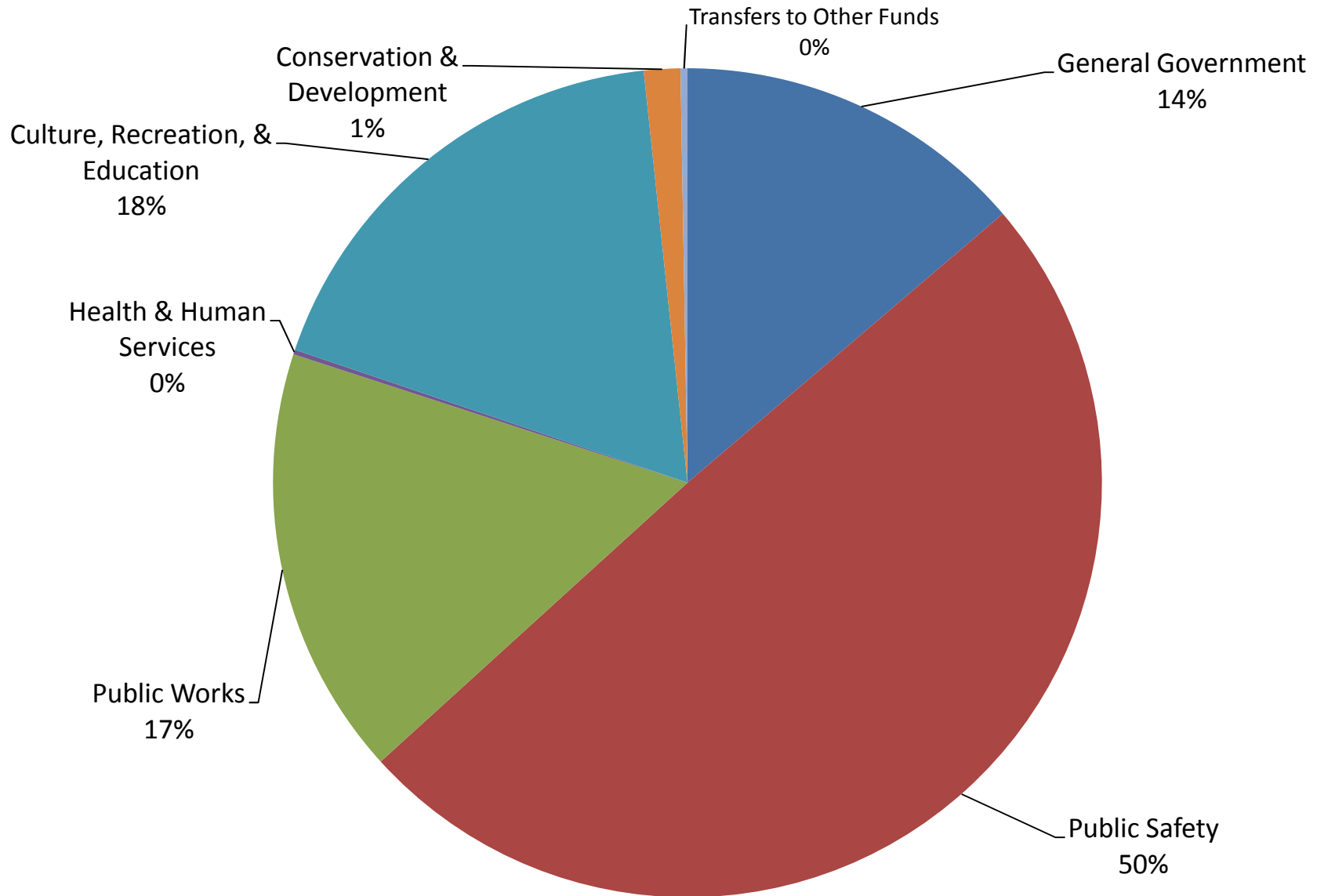
2011 Budget Accomplishments

- Department operational budgets submitted with zero increase
- Reorganized positions to reduce costs
- 2011 Expenses: \$12,067,304 2011 Revenues: \$12,145,419
 - Minimal increase (.16%) in General Fund Expenditures
 - Minimal decrease (-.85%) in General Fund Revenues
- Minimal increase in tax levy (1% or approx. \$40,000)

2011 Proposed Revenues by Category



2011 Proposed General Fund Expenses By Category



2011 Budget Process and Goals

- Collaborative process between the Finance and Personnel Committees that began in early January
- Directive to Department Heads to submit operational budgets with 0% increase
- Management staff and Committee met to determine minimum service needs
- Budget notice published in official newspaper on November 15

2011 Budget Challenges

- Economic conditions
- Stagnant or declining State aid payments
- Limited revenue sources (State aids; taxes and license/permit fees)
- Impact of unsettled labor contracts
- Maintain cash reserves
- Address structural deficit for 2011 and future years

2010 vs 2011 Budget Differences (Savings)

- Reorganize Administrator Position (Est. \$40,000 savings)
- Reorganize Street Superintendent Position (Est. \$80,000 savings)
- Transfer recycling contract fees from General Fund to utility bills (Est. savings \$136,104)
- Reduce full-time position by 30% (Est. savings \$19,824)
- Eliminate permanent part-time position (Est. savings \$28,213)

2010 vs 2011 Budget Differences (Costs)

- Consider filling vacant Battalion Chief position July 1
(Est. \$40,000 cost – Needs further Committee #2 consideration)
- Consider filling vacant custodian position and discontinue contracted cleaning services at Police Dept and Library
(Needs further Committee #2 consideration)
- 2011 Budgeted for TIF 5 cash flow shortage (\$32,500 cost)

2010 vs 2011 Budget Differences – Revenues

- State aids budgeted at 2010 levels to compensate for fluctuations from year to year
- Tax revenue increased by approx. \$40,000
- Reduction in various revenue accounts to reflect expected receipts
- User/permit fee revenue adjusted annually

2010/2011 Mill Rate Calculation

- Factors Involved:
 - State, County, School, Technical College, City levies
 - Equalized value with and without TID increments
 - Calculate tax increment
 - Add to levies to get total levy for taxing jurisdictions
 - Divide by assessed value
 - Calculate mill rates
 - Adjust mill rates by State tax credits
 - Calculate BID District mill rate (BID Levy \$57,000)

Estimated Tax Impact for Residents

- 75% of single family residential homes in Chippewa Falls assessed at or below \$120,000 (Based on 2008/09 Assessed Values)
- 2010/2011 Taxes Based on \$120,000 House:
 - 2010/11 **City** Tax Rate – \$8.69090 per \$1000 assessed valuation – Total **City** Tax – \$1,042.91 (approx. \$86.91/mo)
 - 2010/11 Total Tax Rate **All Jurisdictions** - \$21.65031 per \$1000 Assessed valuation - \$2,598.04 (approx. \$216.50/mo)

ESTIMATED CITY PORTION INCREASE OF \$.35/MO

ESTIMATED OTHER TAXING JURISDICTIONS INCREASE OF \$4.11/MO

***ESTIMATED TOTAL TAXING JURISDICTIONS
INCREASE OF \$4.46/MONTH***

PORTION OF CITY TAXES VS TOTAL TAX LEVY: 40%

Next Steps

- Budget Public Hearing
- Council Adopts Budget – December 2 at 6:30 PM

Future Budget Considerations

- Economic recovery & growth will likely remain slow
- Strong potential for future cuts in shared revenue and other state aids
- Limited revenue options
- Increased Costs:
 - Energy
 - Employee
 - Infrastructure needs

Conclusion/Questions?

Thank you to all involved in the budget process and the time and effort put in by the staff, Council, Mayor and employees in order to ensure that we continue to enjoy the healthy quality of life that the citizens of Chippewa Falls enjoy!